

## **REMARKS**

Claims 2-8, 15-20, and 28-32 are pending in this application. Claims 2-8, 15-20, and 28-32 have been rejected. In view of foregoing amendments and following remarks, Applicants respectfully request allowance of the Application.

### **Examiner Interview Summary**

Applicants thank the Examiner for the telephone interview of April 23, 2009 among Examiner Elizabeth H. Rosen, and Applicant's representatives Robert L. Halls (Reg. No. 39,702) and Jialin "Chuck" Zhong (Reg. No. 62,937).

The following is a Statement of Substance of Interview for the telephone interview.

During the course of the interview, the Examiner and Applicants' representatives discussed rejections of claims under 35 U.S.C. § 101 and § 112, ¶¶ 1 and 2.

With respect to the 101 rejection of claims 30 and 32, the Examiner agrees that the proposed claim language of "executable instructions" overcomes the 101 rejection.

With respect to the 112, ¶¶ 1 and 2 rejection of claim 29, Applicants explained features recited in claim 29 in view of the specification and addressed questions raised in the Office Action. The Examiner agreed that, in view of the explanation and the specification, the rejection of claim 29 under 35 U.S.C. § 112 ¶¶ 1 and 2 should be withdrawn.

With respect to the 112 ¶ 2 rejection of claims 29 and 30, the Examiner agreed that the "if" statements as presented are not indefinite.

The Examiner indicated that that the next office action, if there is any, will be a non-final office action.

### **Claim Rejections under 35 U.S.C. §101**

Claims 30 and 32 were rejected under 35 U.S.C. § 101 as directed to non-statutory subject matter. Although Applicant disagrees with the rejection, claims 30 and 32 have been amended to add further recitations that render the rejection moot.

Claims 30 and 32 have been rewritten to recite "a hardware machine-readable medium having stored thereon executable instructions, the executable instructions which, when executed, cause a processor to perform" a method. The claims refer to storage media, which is

a statutory machine. Therefore, withdrawal of the 101 rejection of claims 30 and 32 is respectfully requested.

### **Claim Rejection under 35 U.S.C. § 112**

Claims 2-8, 15-20, and 28-32 were rejected under 35 U.S.C. § 112, first paragraph as failing the written description requirement, and second paragraphs as indefinite. For both rejections, the Examiner asked identical questions as to claim 29 which are addressed as follows.

With respect to the question “who/what is managing the receivables and collateral agreement?”, claim 29 as amended herein without prejudice is directed to a **computer-implemented** method for managing receivables and a collateral agreement **in a computer system**.” The specification further provides:

Embodiments of the present invention relate to automatically forming a logical association or link directly between a collateral agreement and a receivable for a global declaration of purpose. According to the embodiments, for a global declaration of purpose, a user may specify arbitrary criteria for determining whether a receivable should be linked to a collateral agreement, or not linked. **Based on the criteria, a system executing software according to embodiments of the present invention may automatically form a link directly between the collateral agreement and the receivable.** For example, if a new receivable is created, the system may automatically apply the criteria to the new receivable and determine whether to link it to an existing collateral agreement. The link may indicate that the receivable or some component of it is secured by the linked collateral agreement or portion of the linked collateral agreement. p.3, l. 25 – p.4, l.3.

Therefore, the Specification makes it clear that a computer system executing instructions for managing receivables and a collateral agreement. The computer system may be run by or on behalf of a lender (e.g., a bank), see the Specification, p. 4, ll. 4-12.

With respect to the questions “what is a receivable?” and “who is receiving the receivable?”, the specification provides:

As noted above, a collateral agreement described by a declaration of purpose secures a “receivable.” **A receivable is a generalization or abstraction of a lender's risk based on a transaction with a borrower. A receivable could correspond, for example, to a loan,** or to any transaction which creates a credit risk for a lender (e.g., a bank).

As such, a receivable is defined as a lender's risk based on a transaction with a borrower. In the context of lender and borrower, a receivable data object may represent a loan to the borrower. Therefore, the borrower receives the loan while the lender assumes the risk of lending the loan to the borrower.

With respect to the questions "[i]n a borrower/lender situation, would the borrower or the lender be managing the receivables and the collateral agreement?", the Specification makes it clear that, in general, it is the lender (or the bank) who manages the receivable or the loan, and the collateral agreement (*see* the Specification, p. 4, ll. 4-12). However, in any event, whoever manages the receivables does not change the scope of claim 29.

With respect to further questions on the lender/borrower scenario, the invention may be understood in the following contextual example. A borrower may request from a lender for a loan in exchange for the title of a collateral (e.g., a real estate) owned by the borrower. The lender may grant the loan (receivable) to the borrower through a collateral agreement. The borrower receives the loan while the lender assumes the risk of the loan (a risk to the lender) and holds the title of the collateral from the borrower. The receivables, collateral, and collateral agreement may also be applied to other analogous scenarios such as collateralized credit from banks to corporations.

Therefore, claim 29 is wholly supported by the specification and is not indefinite in view of the specification. Withdrawal of the rejection of claim 29 under 35 U.S.C. § 112, ¶¶ 1 and 2 is respectfully requested.

Further, claims 29 and 30 were rejected under 35 U.S.C. § 112, ¶ 2 as indefinite. In particular, the Examiner contends that the "if" statement recited therein renders the claim indefinite. As discussed with and agreed by the Examiner in the interview, these clauses are drafted in IF/THEN formats which are familiar statements in Computer Science fields. The "if" clauses identify conditions that when met, trigger performance of a given method step. Withdrawal of rejection of claims 29 and 30 is respectfully requested.

### **CONCLUSION**

All outstanding rejections have been overcome. It is respectfully submitted that, in view of the foregoing amendments and remarks, the application is in clear condition for allowance. Issuance of a Notice of Allowance is earnestly solicited.

Although not believed necessary, the Office is hereby authorized to charge any fees required under 37 C.F.R. § 1.16 or § 1.17 or credit any overpayments to Deposit Account No. 11-0600.

The Office is invited to contact the undersigned at 212-908-6380 to discuss any matter regarding this application.

Respectfully submitted,

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